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1 UNITED STATES DISTRICT COURT
2 SOUTHERN DISTRICT OF NEW YORK

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3 MIRROR WORLDS TECHNOLOGIES,
4 LLC,

Plaintiff,

New York, N.Y.

5 v.

17 Civ. 3473 (JGK)

6 FACEBOOK INC.,

7 Defendant.

8 -----x

9 February 28, 2022

10 9:40 a.m.

11 Before:

12 HON. JOHN G. KOELTL,

13 U.S. District Judge

14
15 APPEARANCES

16
17 RUSS, AUGUST & KABAT
18 Attorneys for Plaintiff

19 BY: MARC A. FENSTER

JACOB R. BUCZKO

JAMES TSUEI

20 BENJAMIN T. WANG

-and-

21 AMSTER, ROTHSTEIN & EBENSTEIN, LLC

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Attorneys for Defendant

24 BY: HEIDI L. KEEFE

PHILLIP E. MORTON

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1 (Case called)

2 THE DEPUTY CLERK: Will all parties please state who
3 they are for the record?

4 MR. FENSTER: Good morning, your Honor. This is Marc
5 Fenster for the plaintiff. With me is James Tsuei to my right,
6 Mr. Benjamin Wang to my left, Jacob Buczko to my farther left,
7 and Charlie Macedo is in the back. And, our client
8 representative John Greene is here as well.

9 THE COURT: Good morning.

10 MS. KEEFE: Good morning, your Honor. Heidi Keefe on
11 behalf of Meta/Facebook. With me is Phil Morton. In the back
12 we have two representatives from the client; Michelle Woodhouse
13 and Kyanna Sabanoglu.

14 THE COURT: Good morning, all. Welcome back to the
15 courtroom.

16 This is Facebook's motion for summary judgment. I
17 will listen to argument. I am familiar with the papers.

18 MS. KEEFE: Thank you, your Honor. Would you prefer
19 that -- because 101 and non-infringement are so distinct, I
20 thought I would do them separately and then let the other side
21 respond in between, but I am happy to do it however your Honor
22 prefers.

23 THE COURT: Actually, I would be pleased to just hear
24 your complete argument beginning with 101. I have a couple of
25 questions with respect to claim construction.

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1 MS. KEEFE: Great.

2 THE COURT: And then the motion directed to
3 non-infringement.

4 MS. KEEFE: I would be happy to do so, your Honor.

5 THE COURT: In terms of time, I don't really need a
6 lot of argument on 101 and claim construction, and much of it,
7 just as last time, would be on the issue of infringement or
8 non-infringement.

9 MS. KEEFE: OK. Great, your Honor.

10 In that case, your Honor, I will be brief on the issue
11 of 101.

12 Here, your Honor, we do believe that these patents are
13 ineligible and invalid under 101 because they're directed to
14 the abstract notion of organizing and storing information in a
15 time-ordered manner. Now, I know that the bulk of the argument
16 by plaintiff is -- but this has already been dealt with. This
17 has already been done by a District Court and by the PTAB.

18 The first thing I would like to point out is the
19 district court decision in Texas, the Judge there actually did
20 find that the patents were directed to an abstract idea.

21 THE COURT: But the District Court decision was before
22 *Enfish*.

23 MS. KEEFE: It was, your Honor, but in *Enfish*.

24 THE COURT: The PTAB decision was after *Enfish*.

25 MS. KEEFE: That's correct.

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1 THE COURT: One of my questions is I respect both
2 parties in this case a great deal for their legal acumen, and
3 if Facebook thought that there was in fact a reasonable 101
4 motion, why wouldn't it have raised it the first time?

5 MS. KEEFE: I'm not sure what you mean by the first
6 time, your Honor.

7 THE COURT: The last motion for summary judgment.

8 MS. KEEFE: Because we hadn't gone all the way through
9 expert discovery on that issue. We didn't have their expert
10 report saying what they were going to do with that issue.

11 THE COURT: Whoa, whoa. Whoa. But this is a matter
12 of law, right?

13 MS. KEEFE: Your Honor, on step one absolutely it is a
14 matter of law, and on step two I think it is as well, unless
15 the plaintiff -- patent owner -- tries to raise a question of
16 fact regarding whether or not something is routine and
17 conventional.

18 THE COURT: OK.

19 MS. KEEFE: I tend to find that that happens and so I
20 make sure that the record is complete and final before I bring
21 it to the Court's attention. Here, they haven't actually come
22 forward with anything saying that what they're doing isn't
23 using a computer in its routine and conventional way. In fact,
24 the specifications of all three patents specifically invoke
25 normal computers being used in their normal fashions over and

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1 over again. We are told, for example, that the patent should
2 use the Windows X operating environment in order to display the
3 things that are going on within it, things of that nature.
4 Instead, the only true opposition is they try to argue that
5 this is somehow directed to a computer-only problem that solves
6 the computer. But here, your Honor, what we have learned since
7 *Enfish* is it is not enough just to say I have got something
8 that works on the back end of the computer to be a
9 computer-related problem. Instead, you actually have to make
10 the computer work better and it has to be in the claim.
11 Perhaps the single most instructive case, your Honor, is the
12 *Berkheimer* case. *Berkheimer* came down after *Enfish*.
13 *Berkheimer* was about a patent directed to taking in
14 information, parsing it -- in other words, analyzing the
15 information that comes in -- using that parsing in order to set
16 up different object-oriented structures and store them in
17 different places in essentially a database.

18 The Court in that case actually found that claim 1 was
19 invalid under 101 because it was just moving information around
20 and using standard computers in their normal fashion, using
21 them to figure out what the information is and figure out where
22 to put it. There were dependent claims in that case that were
23 found to be eligible because those dependent claims added a
24 limitation which said: But don't store redundant data, that
25 will make the computer work faster.

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1 Here, none of the claims actually include in their
2 claims any of the things that plaintiff has said somehow fix
3 the computer.

4 THE COURT: Do you think that the claims here can be
5 characterized as directed at improving computer functionality?

6 MS. KEEFE: Absolutely not, your Honor. They're not
7 improving --

8 THE COURT: Why not?

9 MS. KEEFE: They're not improving the way the computer
10 works, they're just improving, in their mind, the way this a
11 user thinks about how things are being stored.

12 THE COURT: I thought that they are directed at
13 actually improving the way in which the computer stores and
14 produces information in a time-ordered treatment, unlike the
15 way in which computers stored and produced information prior to
16 the patent.

17 MS. KEEFE: Again, no, your Honor.

18 THE COURT: Hold on. On its face that would appear to
19 be directed at improving computer functionality.

20 MS. KEEFE: So again, your Honor, it doesn't improve
21 the computer in any way. The computer doesn't behave
22 differently. You are just putting the information in a
23 different place. And I can show that perhaps best with a small
24 demonstration. I know your Honor knows I like demonstrations.

25 THE COURT: I like demonstrations a lot if they're

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1 really relevant.

2 MS. KEEFE: So what we have in the past is something
3 like a file cabinet system and the patent itself even says
4 that. In the past you had file cabinets where, for example,
5 you would have holiday photos stored, financial records, maybe
6 even some things about family events. All that the patent
7 says -- your Honor, may I use the bench right here?

8 THE COURT: Right. I like the cues better.

9 MS. KEEFE: They're here too, your Honor, but they
10 don't come up until non-infringement.

11 THE COURT: OK.

12 MS. KEEFE: All the patent is saying is people aren't
13 able to always remember what the title is this that they gave
14 to that file. It's not about whether the computer can find it,
15 it is about the fact that the person has a hard time
16 remembering what to ask the computer for. So instead of making
17 the human remember the title, the patent says take all the
18 stuff that's inside of it and just go with the date. So we
19 will parse out the file for December 25th, we have another one
20 for July 4th, and we have one for January 1st, and the computer
21 will just automatically put them in time order and that's
22 something that computers have done forever, putting something
23 in chron order, not a big deal, also something that all humans
24 do. The computer then says, all right, I will do the same
25 thing, I will take the stuff out of the financial folder and I

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1 will just shove those in along the way here so that I have got
2 my April 15th, April 16th, and finally I will use my last
3 folder which is family events; I have got an August date so we
4 will put that in here; March is a family dinner, we will put
5 that here; and for my birthday in October we go over here.

6 We haven't changed the way the computer works at all.
7 We have just put them in a different place in the memory. The
8 theory was that it would be easier for a user to find. That's
9 all. In fact, the '227 patent itself says that the only
10 potential attendant benefit -- this is in column 1 and it is
11 cited in the opposition brief -- is that you don't have to
12 superfluously put a name on it. Your Honor, that's not in the
13 claim. The claim never says don't name it. The claim just
14 says take the stuff you already have, even if it has names, and
15 put them in this time order so that now you have got one big
16 stack that's in chron order but it is the exact same stuff that
17 was stored before, it is just stored in a different order.

18 That's not improving the computer. The only things
19 that the patent talks about that might have been improvement to
20 computers may be having less overhead because they don't have
21 to put a file name in, aren't in the claims. Just like in
22 *Berkheimer*. The thing that supposedly made the computer better
23 wasn't in the claim until the dependent claim. Here, there is
24 no dependent claim to save it.

25 THE COURT: Am I right that you don't disagree that

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1 *Enfish* stands for the proposition that a patent claim that is
2 directed toward improving computer functionality is eligible
3 for patent protection under the first step of *Alice*?

4 MS. KEEFE: I agree that *Enfish* stands for the
5 proposition that you have to improve the way that the computer
6 works, not the way that a user perceives the computer to have
7 worked because just because a user thinks it is faster or it
8 might be more intuitive, does not change the way the computer
9 works and is not fundamental to the computer.

10 THE COURT: OK.

11 MS. KEEFE: In *Enfish* it was changing an entire way
12 that a referential database referred up to itself, it changed
13 all of that. This doesn't change the way things are stored,
14 they're still stored in databases, it just changes whether it
15 is chron order or whether it is not. And I would point your
16 Honor to the fact that their own -- one of their own inventors
17 agreed. Their own inventor, when asked, *What were you trying*
18 *to solve with LifeStream's project* -- which is what became the
19 patent -- he said we were trying to solve an information
20 management problem -- a very human problem, not a computer
21 problem -- which was one of the hierarchal storages and kind of
22 the mess that becomes, and also trying to unify that user
23 experience a little better than it was. I think that was the
24 basis of it. So he himself is saying it was making the user
25 experience better. He also said, later in his deposition, that

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1 really what they were trying to do was make the metaphor
2 better.

3 Again, we make no claims that we have come up with
4 anything dealing with file systems in general, whether it is
5 files, storage, or anything like that. Our approach was to do
6 a little better on the metaphor side for the user, I think.
7 And this is in Mr. Freeman's deposition at page 72, lines 19
8 through 24. So, even their inventor is saying we are not
9 missing with the innards of the computer, we are not changing
10 the way the computer works, we are changing the metaphor to
11 make it a little lit better for the user because the user can't
12 remember all those names that they used to have.

13 THE COURT: OK.

14 MS. KEEFE: So, your Honor, I would again point back
15 to the *Berkheimer* case, which came out after *Enfish*.
16 *Berkheimer* also, in fact, distinguishes *Enfish* and reminds us
17 that the computer itself has to be improved and really walks
18 through why the overly broad claims 1 through 4 were still
19 ineligible because they didn't claim what was supposed to have
20 been the thing that actually improved the computer until the
21 dependent claim. Here there is no dependent claim that states
22 that.

23 THE COURT: OK.

24 MS. KEEFE: OK?

25 So your Honor wanted the boxes, they're back.

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1 THE COURT: Before we get to the boxes I just had a
2 couple of questions on claim construction.

3 MS. KEEFE: Yes, your Honor.

4 THE COURT: There is a dispute between the parties on
5 the issue of data unit. So Mirror Worlds, as I understand it,
6 wants to limit data unit to items of information that are of
7 direct user interest and I understand the argument of adding a
8 direct user interest, but Facebook wants to limit a data unit
9 to a document and I'm not quite sure why Facebook wants to do
10 that. Mirror Worlds wants to define it as any item of
11 information which would include such items as videos,
12 photographs, and the like, and I don't understand why Facebook
13 doesn't accept that because I would have thought that when the
14 issue is whether all of the data units that are in the computer
15 system are in the mainstream, expanding data unit beyond simply
16 document to include such things as video and photographs, would
17 improve Facebook's argument, not undercut it. So I don't
18 understand why Facebook takes an issue with simply defining
19 data unit not to include the amorphous term which I understand
20 was denied at various stages of the process by Mirror Worlds of
21 direct user interest but agree that data unit should not just
22 be document but, rather, should be items of information unless
23 Facebook says document includes videos, photographs, and the
24 like.

25 MS. KEEFE: So if I understand your Honor's question,

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1 I may be agreeing with your Honor, I'm just not sure, so let me
2 make sure I am walking it through.

3 Facebook believes that a data unit, essentially, is
4 any piece of information. It's any piece of information which
5 could include a document, a photo, a video. It even includes
6 software. It doesn't have to be something that you can
7 tangibly hold on to or touch or organically create. Instead,
8 it really is any piece of information.

9 THE COURT: OK.

10 MS. KEEFE: What plaintiff is trying to do is trying
11 to say, well, it's not any information, it is only the
12 information that's of direct interest to the user so they can
13 try to get rid of a lot of the pieces of information that are
14 on the back end of a system.

15 THE COURT: Please, I understand that.

16 MS. KEEFE: OK.

17 THE COURT: And I believe Facebook has the much better
18 of the argument that to define data unit should not be defined
19 as to include a limitation of direct user interest.

20 MS. KEEFE: Then we agree.

21 THE COURT: So I thought that Facebook defines data.
22 Unit as "document" and that would suggest a textual limitation
23 rather than the way in which you have just defined document,
24 which is a unit of information.

25 MS. KEEFE: I actually agree wholeheartedly with your

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1 Honor.

2 THE COURT: OK.

3 MS. KEEFE: The only reason we did what we did is
4 because in the file history there is a definitional statement
5 that says a data unit is a document, but it goes on, because a
6 document can contain any type of data and they cite to the
7 specification which is exactly what your Honor was talking
8 about -- documents, videos, pictures, streams, software.

9 So we agree wholeheartedly with your Honor that it can
10 be anything. Document is not, in this case, limited to
11 something textual. And the citation that they reference, page
12 11, lines 20 through 22, is the portion of that '227
13 specification that says it's documents or pictures or videos,
14 or software. So, your Honor is a hundred percent right, it is
15 anything.

16 THE COURT: OK.

17 MS. KEEFE: Information is information and we are
18 good.

19 In fact, I know your Honor is already there but up
20 above in the exact same page the patent owner disputed the
21 relevance thing because this says: In other words, all the
22 data units, without regard to whether it was generated
23 internally or externally, are of significance to the user.
24 Their point is, hey, if it came into the system it is
25 significant so we are not playing the name of subjective and so

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1 data units are as broad as your Honor thinks.

2 THE COURT: OK.

3 MS. KEEFE: Did Your Honor have any other questions?

4 THE COURT: Not on claim instruction.

5 MS. KEEFE: Would you like me to grab my boxes on
6 infringement.

7 THE COURT: Yes.

8 MS. KEEFE: Your Honor, may I also use the bar between
9 the jury and us?

10 THE COURT: Sure.

11 MS. KEEFE: As your Honor remembers with the boxes and
12 where things are stored and how they're stored, that's really
13 what this case comes down to. Now happily, the case has been
14 simplified a little bit. Right now we have the computer system
15 being defined -- I will start with Timeline. For the Timeline
16 system the computer system is defined by plaintiffs to be the
17 Timeline aggregator so that goes into our system, and the
18 Timeline database. What the claims say is that every single
19 data unit, every piece of information that goes into the
20 computer system -- that goes into our white box here -- must be
21 in the main stream.

22 Mirror Worlds has defined the main stream to be only
23 the Timeline database. Main stream equals Timeline database.
24 Therefore, everything that comes into the white box has to be
25 somewhere in the Timeline database. If there is any

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1 information that comes into the aggregator that does not make
2 its way into the time-ordered, Timeline database, there can be
3 no infringement.

4 We all agree -- I will call these user actions. We
5 all agree that the user actions all go into the Timeline
6 database. Any time somebody likes a post, any time someone
7 posts a photo, any time someone says hi to somebody on their
8 Timeline, these go into the Timeline database. Absolutely. No
9 disagreement there. And they're going to cite page after page
10 of documents that say all user actions get stored in the
11 Timeline database. We don't disagree with that. The part we
12 disagree with is there are other things that make their way
13 into the aggregator that don't go into the Timeline database.

14 The first question your Honor may be asking yourself
15 is, well, then why wasn't the computer system just the Timeline
16 database? Why are we fussing with the aggregator? Why does it
17 have to be part of the system? The aggregator has to be part
18 of the system because the claims require that the computer
19 system be able to parse out a substream, you have to be able to
20 take a substream out of the main stream. The aggregator is the
21 only brain that can do that. The aggregator is the guy that
22 has the brains to say, hey, only deliver me action unit 1 and
23 action unit 2. There's my substream. There were once four,
24 now there is two.

25 THE COURT: Hold on.

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1 I have always understood the plaintiff to argue that
2 the computer system with respect to Timeline and activity log
3 is the, quote, Timeline fact end that includes the Timeline
4 aggregator.

5 MS. KEEFE: That's correct.

6 THE COURT: It would be late in the day if the
7 plaintiff said that the Timeline aggregator was not part of the
8 computer system for Timeline and activity log.

9 MS. KEEFE: One hundred percent true, your Honor.
10 You've got it.

11 THE COURT: I am right, am I not, plaintiff?

12 MR. FENSTER: You are.

13 THE COURT: There we go.

14 MS. KEEFE: One hundred percent. I am just explaining
15 where it is in there, because it is necessary. The problem is
16 the aggregator is the brain and the aggregator receives
17 information from multiple sources. It doesn't just talk to the
18 Timeline database. They're not in an exclusive relationship,
19 if you will. Instead, we know from unrebutted testimony that
20 at least one of the things that goes into the aggregator but
21 never touches the Timeline database, are major life events. A
22 major life event on Facebook is a separate flow, it is a
23 separate program. That lets any user go in and make a major
24 life event. *Hey, I got married today. I started a new job at*
25 *the Southern District of New York. I had a baby.* These are

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1 called major life events. When a user's Timeline is displayed
2 to it the query comes into the aggregator, the aggregator says,
3 hey, go get me from the Timeline database all those action
4 units that I might want, but also go get me major life events.
5 Those come from tao and they go into the aggregator so they can
6 be combined, as the name suggests, it is an aggregator, it is
7 bringing things together -- so it can eventually be pushed out
8 to the front end. It is not disputed that the major life
9 events information goes into the aggregator.

10 The dispute that plaintiff first raises is it's not a
11 data unit because it is not of interest to a user. First, your
12 Honor already understands the claim construction point but,
13 even if it were true, I find it highly implausible that my
14 major life event of getting married or having a baby is not of
15 direct interest to me so that absolutely is interesting to me
16 and that goes into the aggregator. The next and only argument
17 that I see now is that somehow they are now arguing that this
18 piece of information, this major life event that comes from tao
19 so that it can be pulled together, aggregated with information
20 from the Timeline database, is not received. That's the new
21 argument we see. That argument is nowhere in their expert
22 reports.

23 Their expert talks about how there are special calls
24 in order to write a piece of information into the Timeline
25 database. They call these function calls and it basically is

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1 something like a little line of code that says here is how you
2 write this into the database. Their expert says that's how I
3 know that information got into the Timeline database. Nowhere
4 in the expert's report does he say that these pieces like
5 Timeline database are not received by the aggregator. We now
6 have an attorney argument that there are no function calls to
7 write this information into the aggregator. There don't have
8 to be. Those are merely function calls to write information to
9 the timeline database. So of course you are not going to find
10 a function call for the major life event to be written into the
11 Timeline database. That's not where it is stored. We have
12 un rebutted testimony from the engineers saying, unequivocally,
13 major life events, information about family members, your
14 education history, and places that you have lived, all go into
15 the aggregator but are never stored in the Timeline database
16 because that's reserved for user actions. As a result, we now
17 have all of this information in the computer system that has
18 never been in the main stream. They simply cannot show that
19 the main stream is inclusive of all data units received by or
20 generated by the computer system because all of this data has
21 come into the system and never touched the Timeline database.
22 The exact same thing is true for Newsfeed.

23 THE COURT: By the way, the way in which the motion
24 was argued is the major life events are part of the UDB -- user
25 database?

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1 MS. KEEFE: That's correct, your Honor.

2 THE COURT: Because you treat, at least in dealing
3 with timeline and the activity log you treat TAO and UDB as one
4 set of information.

5 MS. KEEFE: They're essentially another computer
6 system that can be thought of together that are sending their
7 information into the aggregator; that's correct, your Honor.

8 THE COURT: OK.

9 MS. KEEFE: For Newsfeed and the multi-feed we have
10 basically the exact same thing.

11 THE COURT: There are a series of other specific items
12 that the motion argues were also included in the computer
13 system but not in TimelineDB.

14 MS. KEEFE: Yes.

15 THE COURT: And one of the faults that the federal
16 circuit found was that Facebook was bringing up new items that
17 weren't included in the motion for summary judgment so I would
18 have thought that there were some other clear items that
19 allegedly go into the Timeline aggregator and don't go into the
20 TimelineDB.

21 MS. KEEFE: Yes, your Honor. For example, the perams,
22 the parameters that were used. That was another one of the
23 things that we argued before.

24 What we did here, your Honor, was to try to make it as
25 clean and clear as possible, we went with the unrebutted pieces

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1 of evidence that the engineers talked about during their
2 depositions so that there couldn't be another argument that,
3 oh, well, we didn't know about that one or we hadn't heard
4 about this, or that, or something along those lines. And so,
5 for example, we cite to deposition testimony where our
6 engineers specifically say, unequivocally, life events, major
7 life events is something that isn't in the Timeline database
8 prior to 2018. That was during the early part of discovery.
9 Now, they didn't ask any other questions during depositions.
10 They've always had the code, they've always had our documents.
11 During depos, major life events for Timeline came up and major
12 life events was directly discussed during deposition and that
13 is cited in our papers and I can get you the cites. Some of
14 the other investments didn't come up so when we filed our
15 motion for summary judgment, we also attached a declaration
16 that allowed our person to include the other materials that no
17 one ever asked about.

18 THE COURT: No, no. Well, but I'm really not
19 directing myself to the first motion for summary judgment, I am
20 just trying to make sure that I understand this motion for
21 summary judgment and you plainly make an argument about TAO and
22 UDB and I thought there was second argument about major life
23 events but major life events should simply be part of UDB.

24 MS. KEEFE: That's correct, your Honor, they come from
25 UDB. That's where they are stored before they come to the

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1 aggregator.

2 The real point here isn't where they came from, it is
3 that they end up in the aggregator and they do not end up in
4 the Timeline database. That's the real point. The fact that
5 the aggregator talked to all of these other people, if every
6 one of the things that dropped into the aggregator then dropped
7 into TimelineDB, we wouldn't be here.

8 THE COURT: Co-efficient is a --

9 MS. KEEFE: Co-efficient is absolutely something that
10 comes into the aggregator that is not stored in either of the
11 main streams. Co-efficient is a piece of information used in
12 both aggregators -- Newsfeed and Timeline -- in order to figure
13 out what is most important to you.

14 THE COURT: But the only reason I raise that is that
15 it would seem to me that if there is any information that is in
16 the aggregator that's not in the main stream there is
17 non-infringement, so even co-efficient would be sufficient unto
18 itself even without getting into TAO.

19 MS. KEEFE: Your Honor is a thousand percent correct.
20 And I will admit that one of the reasons that we focused on
21 things like groups and the major life events was because we
22 didn't know how your Honor was going to construe "data unit"
23 and so we were trying to find things that, at a minimum, were
24 still of user interest so that even under plaintiff's proposed
25 definition we would still win. That's why we show you all of

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1 the things including co-efficient, including ranking scores
2 that all come in. But because they challenge that those were
3 somehow not data units, we were trying to go to the other end
4 of the extreme to find something that would even fit their
5 definition of data unit.

6 THE COURT: OK.

7 MS. KEEFE: I think your Honor understands everything
8 is exactly the same for Newsfeed, it is just different words,
9 it is just different things go in there. For example, in the
10 multi-feed leaves, that is supposed to be the main stream. All
11 of the documents absolutely show that all user actions end up
12 in the leaves. We do not dispute that. All user actions go
13 in, that's the little clear color boxes, they're all there, no
14 problem. The problem again, just like before, is that the
15 Newsfeed aggregator also has a list of your friends that are
16 not stored in the multi-feed leaves. It has pages that have
17 you liked and a page that you liked means you said I like that
18 page. Facebook uses that information to grab information from
19 that page in order to give it to you. That's not stored in the
20 leaves.

21 Groups that you have joined, co-efficient scores. We
22 have all of that information sitting in the aggregator that
23 never makes its way into the multi-feed leaves, therefore there
24 is a computer system in which the main stream does not include
25 each and every data unit that is generated by or received by

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1 the computer system. It's that straightforward, your Honor.

2 THE COURT: Again, you haven't emphasized the
3 additional items that came up which you asked the Court of
4 Appeals to consider like ad finder and EGO, but those are now
5 developed into the record.

6 MS. KEEFE: Absolutely, your Honor, and they still
7 work incredibly well. The only argument that plaintiff makes
8 against ad finder and ads, they're also now trying to say -- I
9 think -- that it is not a data unit if it is not of interest to
10 the user and if it is not organically created. And they try to
11 make a difference between organic creation -- something that a
12 user creates -- versus an ad which is created by someone else.
13 Now, Facebook admits fully that it calls those two things
14 different. It calls things that a user or my friends create
15 organic content and it calls ads inorganic content because that
16 comes from someone else, it comes from another source. It
17 doesn't matter whether it is organic or inorganic. That's not
18 in the patent, that's not in the claims. Ads, undoubtedly,
19 come from ad finder into the aggregator so that they can be, as
20 the term suggests, aggregated with the information from the
21 leaves before it is passed to the front end. So absolutely,
22 your Honor, those are still involved. We were simply being
23 extremely conservative about finding things that they couldn't
24 argue with even under their definitions. But, those are
25 absolutely still there, your Honor.

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1 THE COURT: All right.

2 MS. KEEFE: The motion also has two other small
3 pieces, the first being the glance view. Did you want me to
4 address that?

5 THE COURT: I don't think it's necessary.

6 MS. KEEFE: OK.

7 Our papers very clearly spell that out so I will
8 simply rest on the papers for glance view for direction and
9 control.

10 THE COURT: Sorry. For?

11 MS. KEEFE: The issue of direction and control. They
12 also had to show that Facebook directed and controlled the
13 users because it is a joint environment. Facebook does not
14 provide computers or displays and Mirror Worlds didn't dot the
15 I or cross the T of actually pointing to the proof that
16 Facebook controls the user somehow. And that's also in our
17 papers.

18 THE COURT: OK.

19 MS. KEEFE: Thank you, your Honor, very much.

20 THE COURT: Thank you.

21 MR. FENSTER: Your Honor, Mr. Wang is going to address
22 the 101 issue and I will be addressing non-infringement.

23 THE COURT: OK.

24 MR. FENSTER: Would you like to hear 101 first?

25 THE COURT: Yes.

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1 MR. WANG: Thank you, your Honor. Your Honor, may I
2 share a copy of some slides that I prepared? We are not going
3 to go through them all but I brought you hard copies.

4 THE COURT: Sure.

5 MR. WANG: Your Honor, before I dive into the 101
6 issue I just wanted to clarify the record. Facebook's summary
7 judgment motion challenged 101 non-infringement based on the
8 main stream, glance view, and willfulness. There was no
9 challenge to this direction or control issue in their motion
10 for summary judgment that we are discussing now.

11 THE COURT: Hold on. Ms. Keefe wants to say
12 something.

13 MS. KEEFE: He is right. That's in our motion to
14 strike the experts because he had no evidence of it. So I
15 apologize, I got it confused.

16 It ends up the same way, your Honor, but it was not in
17 the non-infringement motion, he is correct. It is in our
18 motion to strikes portions of Koskinen reversal and it results
19 in the same thing which is no infringement, but I do apologize
20 for mixing them up.

21 THE COURT: Well, let me ask, direction and
22 controlled, where does that fit into Facebook's motion?

23 MS. KEEFE: Your Honor, it is in our motion to strike
24 portions of Dr. Koskinen's -- who is their technical expert --
25 report. It is a factor in trying to prove infringement overall

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1 because if the system is a joint system where two separate
2 users are required in order to find a single case of
3 infringement, then the expert has to show the concert of
4 activity and that there has been a direction and control.
5 Since this is an indirect case they have to prove that. He did
6 not, and so that would be something he couldn't talk about
7 which means they wouldn't be able to find infringement. But,
8 it is not in our summary judgment motion.

9 THE COURT: But it doesn't directly affect your
10 arguments of non-infringement --

11 MS. KEEFE: It does not.

12 THE COURT: -- that you just made.

13 MS. KEEFE: It does not. It is an additional element
14 for later, it does not affect the arguments I just made.

15 THE COURT: OK.

16 MS. KEEFE: Thank you.

17 THE COURT: Go ahead, Mr. Wang.

18 MR. WANG: Thank you, your Honor.

19 So, addressing the 101 issue, just to sort of address
20 some of the questions you raised first, your Honor, before
21 getting to the evidence I am prepared to show you, I think it
22 is a very reasonable question about why not the last motion, or
23 why not even an earlier motion such as the motion to dismiss at
24 the 12(b)(6) or 12(c) stage. At this point this late in the
25 case, it really is sort of a hail Mary brought by Facebook, and

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1 as a consequence of bringing this motion so late, the factual
2 record has developed such that summary judgment on 101 is not
3 proper.

4 Now, step one, as counsel stated, is a question of
5 law. And I know your Honor is familiar with the overall 101
6 question being a question of law. Nevertheless, there are many
7 cases that acknowledge that, at a minimum, step two may have
8 underlying factual questions that could preclude a finding of
9 101 ineligibility. And I will take you through the record that
10 is developed in this case that really does preclude summary
11 judgment even if you were to get to step two, which I don't
12 think is necessary in this case, your Honor, because at step
13 one the patents in suit and the claims that are asserted are
14 not directed to an abstract idea regardless of the different
15 formulations that we have heard from Facebook to date. The
16 claims really are directed to an improvement on how the
17 computer operates. The example that Ms. Keefe showed us simply
18 is not the invention and it runs afoul of precedent saying you
19 cannot oversimplify the claims. You have to look at the
20 claims, you have to look at the claims as a whole, and you have
21 to look at the specification to determine really what these
22 claims are directed to, and when you do that properly you see
23 that what it is directed to is an improvement on a computer
24 operating system. And the claims and the patents themselves
25 explain the conventional systems and how the claims improved

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1 upon that. The PTO has recognized it, another District Court
2 has recognized it, we have statements from the Federal Circuit
3 twice that confirm that they're not directed to the supposed
4 abstract idea that Facebook has presented, and we have numerous
5 analogous Federal Circuit precedents that fit exactly the
6 claims in this case.

7 So, your Honor, if I can take you to my slide 3, this
8 is a summary of what I just mentioned to the Court. These
9 claims describe a specific computer operating system that was
10 an improvement to conventional systems, not an abstract idea.
11 And what you can see is Facebook's argument is inconsistent
12 with the law, the specific requirements of the claims, the
13 specification, their own prior statements, the PTO, the federal
14 Second Circuit's statements twice, the underlying concern that
15 drives 101, and analogous federal circuit precedent.

16 Slide 4, your Honor, just gives you that at step one
17 we have to be careful not to oversimplify the claims because
18 almost any claim, if you boil it down enough, could be deemed
19 an abstract idea and the Supreme Court has warned us not to go
20 that far, you have to look at specific requirements of the
21 claim. But, that's not what Facebook does.

22 Now, on slide 5 I just have a visual, and I know that
23 you have to look at specific words of the claims, but these are
24 the claims that are asserted in this case: What Facebook wants
25 to do is oversimplify all of these claims to organizing

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1 information in a time-ordered manner. Now Ms. Keefe changed
2 that formulation this morning, she said organizing and storing
3 information but, regardless, they're oversimplifying the
4 claims.

5 Now, if you look at slide 6, your Honor, this is claim
6 13 under the '227. She is overlooking the bullet points that I
7 listed on the right. There was a disregard for the fact that
8 this is directed to improvement on a computer system, there was
9 no mention of generating a main stream, and importantly, that
10 that main stream has every data unit that is received or
11 generated; no mention of the substream, no mention of any of
12 the bullet points that I list on the right, your Honor.

13 When you look at the next slide, your Honor, this is
14 claim 1 from the '538 patent which is also asserted. You heard
15 Ms. Keefe mention that there is nothing in the claims that
16 tells you how to store these documents or these data units
17 depending on the patent. That's incorrect. If you just look
18 at even the second clause of this, it is: Causing the computer
19 system to automatically, without user interaction and without
20 requiring a user to designate directory structures or other
21 pre-imposed document categorizations structures. So, it says:
22 This new, improved computer operating system, users don't have
23 to do that. What it does, instead, is it stores the
24 documents -- or data units, depending on the patent -- as a
25 time-ordered main stream. And so in this sense, just using

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1 this limitation as an example, your Honor, this is not one of
2 those result-oriented inventions. This tells you what they
3 were avoiding -- the result -- but it also tells you how they
4 solved that result -- the solution. And the solution was to
5 have a time-ordered main stream just in this limitation alone,
6 your Honor.

7 The next slide I have claim 1 from the '439 in even
8 more detail and even more specific about the technological
9 invasion that is at the core of all of these asserted claims,
10 your Honor. It is not simply organizing info in a time-ordered
11 manner as Facebook asserts.

12 Beyond that, your Honor, it is not just the words in
13 the claims, your Honor, as you know.

14 THE COURT: I'm sorry. What was the technological
15 improvement?

16 MR. WANG: The technological improvement, your Honor
17 was a better computer operating system. And why was it better,
18 your Honor? Because the conventional systems --

19 THE COURT: But the patent doesn't spell out how,
20 technically, that would be done.

21 MR. WANG: Your Honor, I disagree with that. How it
22 does spell out how it is done, your Honor, is it says instead
23 of having a file or hierarchy structure which was prevalent in
24 conventional systems, your Honor, we will instead use a main
25 stream, and it explains when a main stream is and what a

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1 substream is.

2 THE COURT: I am no engineer but the technological
3 concept does not appear to be very sophisticated and you can
4 dress it up. I have to apply what the federal circuit has said
5 step one in *Alice* is all about, and so I can accept that if it
6 is directed at improving computer functionality, rather than
7 simply an idea that uses a computer, it is patent-eligible.
8 Now, that doesn't require a great deal of technological
9 expertise, but trying to dress the patent up as a technological
10 innovation appears to me to go beyond the patent, the claims in
11 the patent. But, you can go on.

12 MR. WANG: Your Honor, I think we are talking about
13 step 1 in the analysis, your Honor. You may read the claims
14 and you may say the claims don't seem to be sophisticated
15 maybe, for lack of a better word, or have much technological
16 detail, but this is one of the concerns that I think the
17 Federal Circuit and the Supreme Court have tried to pass down
18 to practitioners and district courts, your Honor. You have to
19 look at the claim as a whole, you have to look at the
20 specification, potentially claim construction, potentially
21 prosecution history to see what these claims are really
22 directed at. Even if, reading the claims themselves facially
23 seems not so sophisticated, when you take a look at claim
24 constructions, when you take a look at about what the patents
25 say and the specifications themselves, then --

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1 THE COURT: I understand that. I can accept all of
2 that. My quarrel was simply to go beyond what the patent
3 actually claims. What the patent claims and is directed toward
4 may well satisfy the current definition of how to define step
5 one under *Alice* under federal circuit precedent. To try to
6 convince me that the claim is doing something more than the
7 claim does appears, to me, to go too far. That's OK.

8 MR. WANG: Your Honor, I'm not trying to do that, your
9 Honor. That's not the purpose of the argument on step one for
10 me, your Honor. I do think that the language of the claims
11 themselves make it clear that this is an improvement to a
12 computer operating system and it says it does so by the main
13 stream and by explaining what the main stream consists of.
14 And, importantly, that those data units in the main stream are
15 kept in a time-ordered manner. Now, why that is a
16 technological improvement you have to look at the specification
17 to do that, your Honor, because when you look at the
18 specification it explains what the conventional systems were
19 and the drawbacks of those systems. And by comparing it to
20 those older systems you can see that this new way to structure
21 a computer operating system was an improvement to the
22 computer's functionality. And that's my point on step one,
23 your Honor.

24 I do want to quickly say that, you know, Facebook in a
25 way has been inconsistent with how it is describing the

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1 supposed abstract idea here and if you actually go back, your
2 Honor, and look at their prior statements in this case, you
3 will see that it is much more technologically oriented than
4 they are trying to convey now. When you look at my slide 13,
5 your Honor, that's an excerpt that is taken from their claim
6 construction brief, whereas today they have one formulation
7 they previously said the claims are directed to an operating
8 system stored in a chronologically-ordered stream, that no name
9 is required. That is directly contrary to what you just heard
10 this morning, your Honor. And it refers to these coined terms.
11 Now that's important, your Honor, because now we are not
12 talking about these generic items, we are talking about terms
13 that the patentees expressly described. These are specific
14 data structures, data units, main streams, substreams, that
15 present a technological improvement to a computer operating
16 system, your Honor.

17 I want to take you to slide 16, your Honor. This is
18 where the patent office recognizes that this is not an abstract
19 idea to step one. Instead, they said the '227 was directed to
20 the way in which computers name, organize, and retrieve
21 electronic documents. A particular use of streams and
22 substream, and therefore it is not a '227 -- it is not an
23 abstract idea, your Honor.

24 At slide 17 and 18, your Honor, I am just giving you
25 the excerpts from the two past federal circuit decisions that

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1 look at the '227 patent, among others, and how the federal
2 circuit describe what claims cover -- very different than the
3 proposed abstract idea that Facebook is presenting today.

4 I will skip the preemption slides that I have for you,
5 your Honor, but I will leave it as in the briefs their; own
6 expert admitted that there is no preemption risk here and that
7 is the concern that undergirds this 101 analysis.

8 I want to end on step one, your Honor, with slide 21,
9 which goes to the *Enfish* case that we have been talking about
10 today. What was eligible there at step one was this specific
11 type of data structure. That is analogous to what we have
12 here, your Honor, and when you look at actually the '227's own
13 specification, it expressly says the stream is a data structure
14 and it goes on to explain what that stream is. And in *Enfish*,
15 you have the specific type of data structure that did improve
16 the way the computer stored and retrieved data. That is very
17 hard to distinguish from the inventions in this case, your
18 Honor.

19 The next few slides are other very helpful federal
20 circuit cases, your Honor, on step one, then I will take you to
21 slide 25 which goes into step two.

22 Now, of course, if you disagree that the claim is
23 directed to an abstract idea you don't have to go here, but to
24 the extent that you do find that they are directed to abstract
25 idea, that we survive summary judgment at step two, at a

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1 minimum.

2 Now, at step two the Courts look at is that an
3 inventive concept. Do they simply describe well understood
4 routine or conventional activities -- and that's not the case
5 here, your Honor. Just like past cases at the federal circuit,
6 the specifications own description of the invention explains
7 that it is not conventional. The specification, as I
8 mentioned, distinguished past systems. The PTO recognizes
9 that, District Judge Schroeder recognized that, and what I
10 really only want to focus on now, because I know you understand
11 the issues and have read the briefs, your Honor, are the 35
12 pages of factual analysis, not conclusory statements that we
13 put in the record from our expert Dr. Koskinen.

14 Let me skip to slide 32, your Honor. So one of the
15 problems for Facebook at step two, your Honor, is by bringing
16 this motion so late, the factual record has been developed.
17 Importantly, the factual record includes an analysis from
18 Dr. Koskinen that goes directly to the step two analysis. And
19 this is the underlying factual question for step two that
20 precludes summary judgment. In his report -- and I know you
21 have awe full copy it, your Honor --

22 THE COURT: You know, by going through this, of
23 course, you are supporting Facebook's position as to why it
24 didn't move on 101 earlier in the case and, particularly, as
25 part of the first motion for summary judgment. You are

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1 explaining to me if I get to step two why this is a heavily
2 fact-laden determination based upon all of the discovery in the
3 case. That seems to underline Ms. Keefe's argument as to why
4 she didn't make the 101 motion in the earlier motion for
5 summary judgment.

6 MR. WANG: Your Honor, I don't think it does, your
7 Honor, and I will explain why.

8 If Facebook really believed that there were no
9 underlying questions of fact for these claims, it could have
10 moved at 12(b)(6), it could have moved at 12(c).

11 THE COURT: You resisted summary judgment from the
12 outset of the case at every turn. To fault Facebook now for
13 not having made a 101 motion, which you say is heavily
14 fact-laden at step two, seems to be somewhat of an
15 extraordinary about face. Your argument now is Facebook,
16 despite the factual questions on step two of the *Alice*
17 analysis, should have moved for summary judgment long ago.

18 MR. WANG: Your Honor, Facebook believes that there
19 are no underlying questions of fact. If they really believed
20 that they could have moved at any time, your Honor.

21 THE COURT: You disagreed with that.

22 MR. WANG: Your Honor, we disagreed for different
23 reasons. We disagreed because our understanding of the
24 practice in the Southern District is that there was a single
25 summary judgment opportunity at the end of the case and the

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1 issue that Facebook raised was challenging the main stream
2 limitation and at that time, which we --

3 THE COURT: But if that understanding is correct,
4 Facebook would have had to have put all of its apples, so to
5 speak, in the basket of making its first motion for summary
6 judgment to include a 101 claim and you are saying that's what
7 they should have done.

8 MR. WANG: Your Honor, I think if they really believed
9 it if they should have done that, your Honor. And I know we
10 were incorrect on the practice of when you can bring summary
11 judgment and the timing of that, but that be as it may, your
12 Honor, the record is that Dr. Koskinen addressed step two and
13 at this -- given the standard review now, it's any evidence
14 from any source that can reasonably be read in favor of the
15 non-movement would preclude summary judgment.

16 THE COURT: Of course I don't have to get to step two
17 if I agree with you at step one.

18 MR. WANG: That's right, your Honor. That's right.
19 And I don't believe you do have to get to step two, your Honor.
20 So, I think I will leave that as far as the 101 issues, your
21 Honor.

22 The other item I was supposed to address was the
23 willfulness one which Ms. Keefe is submitting on the papers and
24 we are fine with that, your Honor, unless you have any specific
25 questions, of course.

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1 THE COURT: No. Thank you.

2 MR. WANG: Thank you.

3 MR. FENSTER: Your Honor, my I remove my mask at the
4 podium while I speak?

5 THE COURT: No. If I understand it, those are the
6 rules in our court which is why I am wearing a mask and would
7 rather not be wearing a mask up here.

8 MR. FENSTER: No problem.

9 Your Honor, summary judgment on a non-infringement --

10 THE COURT: But you should use the mic.

11 MR. FENSTER: I am.

12 Your Honor, summary judgment of non-infringement is
13 not warranted and must be denied because there are fact issues.
14 Facebook is asking you to weigh the evidence. You are
15 prohibited from doing so on summary judgment. I know you know
16 this. But they're asking to you weigh the evidence. Your
17 Honor, we have submitted evidence as to a main stream.
18 Dr. Koskinen is an expert, he has submitted testimony based on
19 his review of all the documents, all the depositions, and
20 source code.

21 THE COURT: No, no. But I have to examine what the
22 cited sources of his opinions are.

23 MR. FENSTER: Yes. Your Honor, in our opposition to
24 the motion for summary judgment --

25 THE COURT: Hold on. Let's just stop for one moment.

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1 Facebook submits sworn statements by people familiar
2 with the system who say, unequivocally, that there is
3 material -- data units -- in the computer system which are not
4 in the main stream. We then have Dr. Koskinen on some issues
5 pointing to documents that he says supports the proposition
6 that the items in the computer system do come into the main
7 stream. So, then I have to look at what the specific items are
8 that he says supports that proposition to counter Facebook's
9 people with personal knowledge of the system. The Court of
10 Appeals faulted Facebook the first time around for not having
11 submitted unequivocal statements that there were data units in
12 the computer system that are not in the main stream. New
13 motion for summary judgment, now unequivocal statements, and it
14 appears that Mirror Worlds countered that with Dr. Koskinen and
15 exhibits. So then I have to look at the exhibits and make a
16 determination whether they in fact support Dr. Koskinen.

17 Go ahead.

18 MR. FENSTER: Your Honor, you said at the beginning
19 when they brought their motion that this was a credibility
20 determination, it was a credibility test. And Ms. Keefe and
21 Facebook stood up here and told you, unequivocally, that
22 information from TAO goes to the aggregator. You accepted
23 that, you put that in your order, and the federal circuit
24 reversed you on exactly that point because the evidence did not
25 support that, that put you down the primrose path.

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1 THE COURT: Hold on.

2 That related to TAO as it related to the Newsfeed and
3 the multi-feed system. It didn't specifically relate to
4 Timeline with he respect to Newsfeed and multi-feed system.
5 Yes, Facebook still relies on TAO but also relies on the other
6 individual inputs that it raised with the federal circuit and
7 the federal circuit said, hey, you didn't raise them before so
8 we are not going to consider them in the first instance now on
9 appeal.

10 MR. FENSTER: Yes.

11 Your Honor, my point is that you have to --

12 THE COURT: I have to look carefully at what the
13 evidence is on the motion for summary judgment. Undisputed.

14 MR. FENSTER: OK. Now listen to what --

15 THE COURT: Could I ask you to --

16 MR. FENSTER: Let me cut to the smoke and mirrors,
17 please.

18 THE COURT: Could I ask you first --

19 MR. FENSTER: Sure.

20 THE COURT: -- I raised with Facebook the issue of
21 claim construction --

22 MR. FENSTER: Yes.

23 THE COURT: -- with respect to data unit and Facebook
24 agrees that data unit can refer to documents broadly construed
25 to include information including videos and photographs and the

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1 like. So the only dispute between the parties is
2 Mirror Worlds' addition of direct user interest as a
3 qualification for data unit. Among other things, it appears
4 that that's an interpretation that Mirror Worlds specifically
5 disclaimed when it went through the covered business method
6 proceeding.

7 MR. FENSTER: OK. Let me clear that up because that
8 is absolutely not true. OK? And the reason, your Honor, is
9 because in the covered business method review, the standard of
10 claim construction is different. It is broadest reasonable
11 interpretation, it is decidedly different and broader than the
12 claim construction that you have to apply that all district
13 courts and the federal circuit apply in a District Court
14 proceeding. OK? So all of the statements that you are
15 referring to and that Ms. Keefe referred to about disclaimer
16 that a data unit is a document, were under a different standard
17 the broadest reasonable interpretation standard.

18 THE COURT: But -- OK.

19 MR. FENSTER: OK? So now, under a proper district
20 court instruction --

21 THE COURT: Hold on. Don't I have to look at what
22 Mirror Worlds said its interpretation of the claims mean? Does
23 it mean one thing in one proceeding and another thing in
24 another proceeding?

25 MR. FENSTER: Yes. The answer is yes when there are

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1 different standards, your Honor.

2 Look. It would be remiss of Mirror Worlds to say that
3 to not account for the difference in the claim construction
4 standard and the CBM proceeding required us to apply the
5 broadest reasonable interpretation because that's the same
6 standard that's applied in prosecution. OK? Under the
7 broadest reasonable interpretation we went broad to document.
8 OK? But the District Court -- you -- have to interpret the
9 data unit here under normal federal circuit guidelines --

10 THE COURT: Hold on.

11 MR. FENSTER: -- in light of the intrinsic record.

12 THE COURT: Hold on.

13 The position that you took in the covered business
14 proceeding was not the broadest possible view when you said
15 that data unit should not be limited to items of direct user
16 interest. It was a narrowing. And similarly, now --

17 MR. FENSTER: It wasn't narrowing, your Honor. To say
18 that it was not a direct user interest, it is not limited to
19 things of direct user interest but rather as of any document
20 which is broad, as you and Ms. Keefe discussed; was broader.

21 THE COURT: Facebook relies on *Aylus*.

22 MR. FENSTER: On? I'm sorry. I didn't hear you.

23 THE COURT: A-Y-L-U-S, for the proposition that you
24 can't essentially disclaim a prior position that you took in
25 one of a patent prosecutions proceeding, in that case it was an

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1 *inter partes* proceeding.

2 MR. FENSTER: Your Honor, that case did not account
3 for different standards of interpretation and here we did not
4 make an inconsistent position. Our position in the CBM is
5 consistent with our position here. It is consistent to say
6 that under the broadest reasonable interpretation standard a
7 data unit should be broader and consistent to say in the
8 district court that a data unit, under the proper district
9 court construction, must be interpreted in light of the
10 intrinsic record as prior courts in the federal circuit have
11 approved -- have found -- that it is limited to a direct user
12 interest because that's what the prosecution history in this
13 case shows.

14 THE COURT: Can I?

15 MR. FENSTER: Sure.

16 THE COURT: You went over *Aylus* pretty quickly. It
17 was an *in partes* proceeding. It says that the patent holder
18 was found by the position that it had taken in the *inter partes*
19 proceeding.

20 MR. FENSTER: I confess, your Honor, I don't know
21 the -- so, the case law has changed in *inter partes* reviews so
22 *inter partes* reviews used to be under broadest reasonable
23 interpretation and later were under District Court. I don't
24 know which this one is.

25 THE COURT: *Aylus* was 2017.

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1 MR. FENSTER: So I think that that is a district court
2 proceeding and not under the district court interpretation but
3 I can't make that representation. I don't know it.

4 THE COURT: OK.

5 MR. FENSTER: But I am absolutely certain, your Honor,
6 that the statements made in the CBM petition here were
7 addressing the broadest reasonable interpretation standard and,
8 your Honor, that is different than the standard that you must
9 apply. OK.

10 So, if we can get past that and get to the standard
11 that you must apply, you have to interpret the data unit as one
12 of skill in the art would in light of the intrinsic record.
13 Two district courts have previously held, first, that it was of
14 significance to the user that went up to the federal circuit
15 without being disturbed on that issue and came back down, and
16 the second District Court went further and said it must be of
17 direct user interest. The reason is because the prosecution
18 history in this case is clear. There was clear and
19 unmistakable disclaimer by the patentee limiting the claims to
20 direct user interest. And, your Honor, these are cited in our
21 claim construction papers and it is at pages 6 to 9 of our
22 opening brief in Exhibit 7 to that brief at page 12, this is
23 our statement: In other words, all data units without regard
24 to whether it was generated internally or externally are of
25 significance to the user and the stream of data units of

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1 significance to the user -- this was part of the file
2 history --

3 THE COURT: But --

4 MR. FENSTER: And then --

5 THE COURT: Hold on. Hold on. But that's exactly
6 what Facebook was relying on so Facebook says, look, they said
7 all the data units are of significance to the user.

8 MR. FENSTER: No. That's not what they were relying
9 on. This is from the original file history of the patent, they
10 were relying on the CBM.

11 THE COURT: OK, but -- No, no. That statement is not
12 a statement of limitation. It says all data units are of
13 interest, of direct interest to the user.

14 MR. FENSTER: Your Honor, it was absolutely clear --
15 so this is the interview summary that led to the allowance of
16 the application. It was agreed that applicants would refine
17 the language addressing that stream of documents in the
18 broadest sense that are of significance to the user and which
19 determine the events of direct user interest in the timeline
20 without regard to whether their generation is external or
21 internal.

22 The prosecution history is clear that we were talking
23 about a personal stream, it's personal data. And the way we
24 know that, your Honor, is -- so, from the file history, that
25 makes clear that that's what the applicant and the examiner

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1 understood was the scope. And then the definition of stream,
2 which is agreed, is that it has to be a diary of a person's
3 electronic life. This is not any data unrelated to the person,
4 this is a stream of their interaction with the computer that
5 results in a diary of that person's electronic life. It is
6 data that is of personal interest to the user. If it's not of
7 interest to the user at all, it doesn't belong in their main
8 stream. This definition is undisputed. So, your Honor, I'm
9 asking you to put this in the context of what's claimed here
10 and you have to draw inferences in favor of the non-movant.

11 Now, what is invented here is a new operating system
12 for organizing your personal information in a time-ordered way
13 that doesn't require to you name the files but keeps them
14 stored in a main stream for you that functions as a diary of
15 your life. My main stream is going to be different than yours
16 and it is going to be different than the table's. There may be
17 information about the table that's in the system that doesn't
18 belong in my diary; it doesn't belong, it is not required to be
19 in my main stream.

20 THE COURT: I thought that's the definition of a
21 substream.

22 MR. FENSTER: I'm sorry?

23 THE COURT: I say I thought that was the definition of
24 a substream. I thought that the main stream includes every
25 data unit in the computer system and that the main stream can

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1 then have substreams.

2 MR. FENSTER: The substreams are cut against the main
3 stream, they are queries, they result from queries against the
4 main stream. The main stream is --

5 THE COURT: All data units in the computer system in a
6 time-ordered way.

7 MR. FENSTER: They are data units that are of interest
8 to the user.

9 THE COURT: If I disagree with you on that and I
10 thought that data unit properly construed is all documents in
11 the broadest sense of the use of documents in the computer
12 system, is Facebook then correct that the two main streams that
13 are at issue here don't include all of the data units --

14 MR. FENSTER: No. The answer is no.

15 THE COURT: -- in the computer system?

16 MR. FENSTER: The answer is unequivocally no.

17 THE COURT: OK.

18 MR. FENSTER: They are not correct.

19 THE COURT: Go ahead.

20 MR. FENSTER: And the reason I brought up credibility,
21 your Honor, is because Facebook is asking you to look at
22 things -- they're showing you something in a very specific way
23 so let me just lay this out for you.

24 We have presented affirmative evidence; Koskinen,
25 their documents, their source code, saying that every data unit

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1 generated or received is in the TimelineDB and in the
2 multi-feed leaves. In response they do not address that
3 evidence at all. OK? So if we have expert testimony saying
4 that it can only be disregarded for summary judgment if it is
5 completely conclusory, if it has no basis. They don't address
6 that at all, they don't ask you to find that, and you can't
7 weigh that evidence.

8 In their reply they do not address our affirmative
9 evidence at all. Instead, they say major life events, pages
10 liked, groups joined. Right? They point to several things
11 that they say came from TAO and UDB. OK? Those things are all
12 in the TimelineDB so let me explain.

13 Major life events. Ms. Keefe told you that the way
14 major life events get into the system is you create them. I
15 enter: I got married on June 6, 1998. I joined Russ August &
16 Kabat in 2003.

17 THE COURT: Let me just ask you a question.

18 If, in fact, information goes to the TimelineDB but
19 it's not in the Timeline back-end or Timeline aggregator --

20 MR. FENSTER: I think you misstated that.

21 THE COURT: I'm sorry?

22 MR. FENSTER: I think what you are intending to ask is
23 if it goes into the aggregator but doesn't get into the
24 TimelineDB. Is that what you are asking?

25 THE COURT: Well, it wasn't, actually, but go ahead.

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1 MR. FENSTER: So my --

2 THE COURT: You were explaining how items get into the
3 TimelinedB.

4 MR. FENSTER: I am explaining that --

5 THE COURT: I had thought that the whole issue was
6 whether items in the Timeline back-end, including the timeline
7 aggregator, all are in the TimelinedB.

8 MR. FENSTER: That is right.

9 So the TimelinedB is the main stream. OK? And what
10 they're asserting is something comes into the aggregator that
11 is not in the TimelinedB. OK? And what I am telling you, your
12 Honor, is that there is contradictory evidence about that, and
13 specifically --

14 THE COURT: Go ahead.

15 MR. FENSTER: -- specifically, your Honor, for major
16 life events, every one of those events was entered by a user
17 and that user action is recorded in the TimelinedB. If I
18 enter: *I got married on this date*, that's a user action and
19 that gets entered on the TimelinedB. OK? What they're saying,
20 all of the data units are in the Timeline database. They're
21 saying that, well, we get it from TAO as a list and that list,
22 itself, is not in, but all of the individual data units are.
23 Major life events get created by users. Any interaction with
24 the system by a user is recorded in the TimelinedB. That is
25 our affirmative evidence that you have to accept for purposes

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1 of summary judgment.

2 They tell you -- this is -- and, your Honor, this goes
3 to the credibility point, this will illustrate it right now.
4 For multi-feed -- this is from their summary judgment motion at
5 page 14 -- they say that the multi-feed aggregator receives
6 information from any sources, for example: Friends, pages
7 liked, groups joined. This information is not in the leaves.
8 OK?

9 This is a credibility point, your Honor. They have
10 told you it is not in the leaves. Now, their basis for saying
11 so they say is unrebutted declaration. It is only the
12 declaration of Tang which is after close of discovery, not
13 citing a single document. OK? So it is an interested witness,
14 not citing any document, that they're saying you have to accept
15 such that no reasonable jury could find otherwise.

16 Your Honor, this is flatly inconsistent with the
17 evidence of record.

18 So Exhibit 27 to our opposition, OK, this is actual
19 evidence. I'm not talking boxes, I'm talking evidence. What
20 this says is in the leaves -- this is Exhibit 27, Facebook's
21 documents -- a user's friends, pages liked, and other actions
22 are stored in the leaves; flatly inconsistent with what they
23 represented to you was not in the leaves.

24 Now, Exhibit 30, this is their document saying
25 aggregator gets all the actions and objects from the leaves;

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1 that's the leaves, that's the main stream that we are pointing
2 to. These actions and objects are from your friends, pages you
3 follow, groups you have joined. Right? They have told you in
4 their papers and in court today that friends, pages liked,
5 groups joined, are not in the leaves, they come from TAO and
6 UDB. The evidence that we have presented to you in the record
7 in opposition to summary judgment shows a clear question of
8 fact. You cannot find on this record that no jury could find
9 otherwise. That's what -- you accepted the representation last
10 time and the federal circuit reversed, for that reason.

11 THE COURT: By the way, one of the great joys of being
12 a district court judge is we understand that whatever we do is
13 subject to review so I welcome review. And the fact that there
14 was a reversal the first time doesn't affect the way in which I
15 look at the record now. In fact, the federal circuit
16 specifically left open the possibility of another motion for
17 summary judgment after the record was complete and pointed to
18 specific issues that Facebook brought up too late. So, the
19 fact that there was a reversal the first time is only an
20 invitation to complete the record and to look carefully at what
21 the federal circuit said the first time so that I carefully
22 follow it this time. You seem to be using the decision by the
23 federal circuit for some other purpose.

24 MR. FENSTER: Your Honor, my point in that is you told
25 us at the beginning of this case that if they wanted to move

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1 for an early summary judgment their credibility is on the line
2 in doing so. And, your Honor, what I was pointing out is that
3 they told you X, namely that information from TAO came into the
4 aggregators. That was wrong. It was contrary to the evidence.
5 You accepted their representation and the federal circuit
6 reversed. I understand that that's a normal part of things --
7 that's exactly what happened.

8 THE COURT: Go ahead.

9 MR. FENSTER: My point, your Honor, is I am asking you
10 to have some healthy skepticism about what they're telling you
11 now because it is inconsistent with the evidence which you are
12 not allowed to weigh in a motion for summary judgment. We have
13 presented affirmative evidence that everything that a user does
14 on the system is stored in TimelineDB and the multi-feed leaves
15 and I can take you through that evidence. They don't respond
16 to that. Instead, they say major life events, which are
17 created by users. They say pages liked, groups joined are not
18 in the system. The evidence shows that it is. There is no --
19 so all of the evidence that they're talking about comes from
20 TAO and UDB and then there is co-efficient and I will talk
21 about co-efficient in a second. OK? They have not presented
22 unequivocal evidence that information comes from TAO into the
23 aggregator that is not already in TimelineDB. In fact, the
24 evidence of record is that TimelineDB is a reverse
25 chronological index of what is in TAO. So, your Honor, this is

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1 cited in Exhibit 5 which is the Koskinen report at page 52,
2 this is Facebook Mirror Worlds 200314, slide 4: TimelineDB is
3 just a reverse chronological index of what is in TAO. That is
4 the evidence of record. There is no evidence from which you
5 have to conclude that no reasonable juror could find otherwise
6 that information comes from TAO into the aggregator that is not
7 in TimelineDB. The other source that they point to is UDB.
8 Your Honor, UDB, there is no evidence that information gets
9 from UDB into the aggregator.

10 So, let me show you exhibits 24 and 26. This is
11 Exhibit 24 and this shows that the interaction between UDB and
12 Timeline is UDB sending information to TimelineDB, that actions
13 get written to both the UDB and Timeline. There is no document
14 showing, connecting to, or supplying information to the
15 aggregator that is not already in TimelineDB. The only person
16 who says that is Tang -- an interested witness -- without
17 citing any documents.

18 The record is such that you cannot accept that as
19 unequivocal such that no jury could find otherwise in the light
20 of contrary evidence. The contrary evidence is Dr. Koskinen,
21 their documents, their witnesses that all say everything that a
22 user does, all data, units generated or received, are in the
23 TimelineDB and in the leaves.

24 For UDB, let me finish that point with Exhibit 26.

25 THE COURT: Just so that I am clear, your argument is

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1 that the information that Facebook is talking about goes
2 directly to the TimelineDB or the multi-feed leaves and is not
3 in fact in the Timeline back-end, the Timeline aggregator, or
4 the multi-feed system?

5 MR. FENSTER: Yes, your Honor. I am saying that there
6 is a disputed issue of fact as to whether the information that
7 they're talking about comes into the aggregator at all --
8 because that's contrary to their documents -- and it is
9 disputed whether that information that they're talking about is
10 also not in the leaves in TimelineDB because our documents and
11 evidence show that it is.

12 THE COURT: OK.

13 MR. FENSTER: And --

14 THE COURT: But --

15 MR. FENSTER: OK. Go ahead.

16 THE COURT: How can that be a definition of -- how can
17 that meet the definition of the main stream. I thought the
18 main stream was to be the time-ordered accumulation of data
19 units that are contained in the computer system.

20 MR. FENSTER: That's right. So the TimelineDB is the
21 main stream that is a time-ordered chronological index of all
22 data units generated or received by the Timeline back-end and
23 the multi-feed leaves are a time-ordered index of all data
24 units generated or received by the multi-feed system. So, just
25 to finish this point, this shows that the ranking information,

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1 which is what Tang relies on, the stuff that he is talking
2 about, if you look at his declaration at paragraphs 10 and 12
3 he says that the information that he says comes from UDB is
4 used for sorting and ranking. That ranking information is in
5 TimelineDB, according to their documents. So that's what
6 Exhibit 26 shows. You will notice that there is no line
7 between UDB and aggregator. This is inconsistent with
8 Mr. Tang's declaration. It is also inconsistent to say that
9 the ranking information from UDB is not already in TimelineDB.
10 This shows it is. OK? So we have a conflict of evidence;
11 that's what the jury is supposed to resolve, you are not
12 permitted to.

13 So --

14 THE COURT: Go ahead.

15 MR. FENSTER: So, with Koskinen, Koskinen's
16 declaration at paragraph 41 leave servers contain all the
17 action and objects generated or received by the multi-feed
18 system. He says that they're in chronological order. This is
19 at 40 to 42 and he cites all the documents supporting that.
20 OK? We put in evidence that all data units generated or
21 received by the multi-feed back-end system are in the leaves
22 and those generated or received by the Timeline back-end system
23 are in the Timeline database. That is affirmative evidence, it
24 is not merely conclusory, there is evidence to back it up. The
25 only thing that's contrary is an unsupported interested witness

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1 declaration that was created for this motion after the close of
2 discovery. That doesn't cite any documents, it doesn't explain
3 away all of the documents that we have cited to the contrary.
4 That is a classic question. We have met our burden to put in
5 evidence sufficient for a jury to find that every data unit
6 generated or received is in the Timeline database and in the
7 leaves by their respective systems.

8 THE COURT: Could you address ad finder and EGO?

9 MR. FENSTER: Yes.

10 So first ad finder and EGO are only relevant to
11 Newsfeed, they are not relevant to Timeline.

12 THE COURT: Correct.

13 MR. FENSTER: So, EGO has recommendations which are
14 used for sorting and ranking. This is part of the query and
15 query information is not -- does not have to be stored as
16 part -- it is not a data unit and it is used to cut against the
17 main stream to generate the substream. Queries do not have to
18 be stored and that's undisputed with their expert.

19 So this is our slide 27, this is Stephen Gray, their
20 expert, acknowledging that queries don't have to be stored in
21 order to constitute a main stream. Queries are not data units,
22 queries, query information does not have to be stored to be
23 part of the main stream.

24 And, your Honor, under *PPG*, the federal circuit case,
25 the application of the facts to properly prove proper claim

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1 construction is a question of fact for the jury. Whether
2 queries are data units or not is a question for the jury. That
3 is a fact question. And the federal circuit essentially
4 recognized that -- and this is our slide 7. This is at page
5 910 of the federal circuit's opinion in this case -- I'm sorry,
6 this is not -- this is where they recognize that we did submit
7 evidence. Sorry. I meant to refer to slide 28, your Honor
8 which is also page 910 of the federal circuit opinion which is
9 acknowledging that there is a question as to whether query
10 information comes within the relevant claim terms data units
11 under a proper construction.

12 THE COURT: If --

13 MR. FENSTER: They're not saying -- go ahead.

14 THE COURT: It doesn't say that it is not a proper
15 item for the Court's construction on remand.

16 MR. FENSTER: So, it is theoretically possible that --
17 your job is to do claim construction and then the jury -- it is
18 a fact question whether those -- whether the facts meet that
19 claim construction.

20 THE COURT: You said that the federal circuit said it
21 was a fact question.

22 MR. FENSTER: I said that the federal circuit
23 acknowledged that there was a question and I am asserting to
24 you that it is a fact question. OK? If you want to hold that
25 contrary to the intrinsic record that data unit is any unit and

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1 that as a matter of law, even though the intrinsic record says
2 queries are not data units and their expert admits that queries
3 are not data units, if you want to hold that no reasonable
4 juror could find that queries are data units as a matter of law
5 and no reasonable jury could find otherwise, then we will go up
6 to the federal circuit on that. I think that that's wrong,
7 your Honor.

8 THE COURT: OK.

9 MR. FENSTER: But I am acknowledging to you that the
10 federal circuit did not preclude it.

11 THE COURT: Hold on. I have already told you that one
12 of the joys of being a district court judge is anything that we
13 do is subject to review, so of course the parties are welcome
14 to ask the federal circuit to review anything that I do.

15 Go ahead.

16 MR. FENSTER: I know, but I know you want to get it
17 right and I am trying to help you do so, your Honor.

18 So, I think that where we were with --

19 THE COURT: Ad finder.

20 MR. FENSTER: -- EGO and ad finder. So ad finder
21 presents ads. This comes down to whether they're data units.
22 Ads have no place in a user's diary unless the user interacts
23 with that ad. If they do, it will be part of their timeline
24 and in their leaves. If they don't interact with it, it has no
25 place in their Timeline, in their diary, because it is not of

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1 interest to them, it is inorganic information.

2 THE COURT: You don't dispute that information from
3 the ad finder goes to the multi-feed aggregator and doesn't
4 show up in the multi-feed leaves?

5 MR. FENSTER: So unless a user -- if a user interacts
6 with the ad, if a user clicks through on an ad, that will
7 result in something being stored in the leaves but, if not, I
8 don't have evidence that the ads themselves, which we contend
9 are not data units and it's a fact issue as to whether they
10 are, we do not have evidence that those, otherwise, are stored
11 in the leaves. That's true.

12 THE COURT: Yes.

13 MR. FENSTER: And that does not preclude summary
14 judgment here. It does not warrant summary judgment because
15 there is a fact question as to whether those are data units in
16 the context of this claim, your Honor.

17 THE COURT: OK. What about EGO?

18 MR. FENSTER: So EGO is just part of the query and
19 that's what I was addressing. So query -- EGO has to do with
20 recommendations for sorting and ranking, like the information
21 from TAO and UDB that they talk about. That ranking
22 information is in the database so there is a question of fact
23 as to whether those are in the leaves or in the TimelineDB.
24 And, in any event, there is a question as to whether that query
25 information is a data unit. And again, those are specific only

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1 to multi-feed.

2 THE COURT: It only deals with Newsfeed, right? EGO?

3 MR. FENSTER: That's correct.

4 THE COURT: So I understand your issue with respect to
5 query. Other than that, do you dispute that there is
6 information from EGO that's in the multi-feed aggregator that
7 then doesn't appear in the multi-feed leaves?

8 MR. FENSTER: Yes.

9 THE COURT: You don't dispute that?

10 MR. FENSTER: We do dispute that.

11 THE COURT: Why is that?

12 MR. FENSTER: The evidence for that is this is an
13 aggregation of information that's already in the TimelineDB or
14 in the leaves.

15 THE COURT: I thought EGO relates only to the
16 Newsfeed.

17 MR. FENSTER: You are right. I completely apologize,
18 your Honor.

19 Yes; EGO only applies to Newsfeed and there is a
20 dispute as to whether it is drawing information or relating to
21 information that is already stored as data units in the leaves.
22 That is correct.

23 THE COURT: What part of the record raises that
24 question?

25 MR. FENSTER: So, Dr. Koskinen's declaration which

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1 says all data units generated or received by the system are in
2 the leaves raises that question. Moreover --

3 THE COURT: He doesn't deal specifically with EGO,
4 does he?

5 MR. FENSTER: He does not deal specifically with EGO
6 but what you have is inconsistent information. So, one, there
7 is no -- so, we have overlapping information and the evidence
8 about EGO is not undisputed that it goes to aggregator and it
9 is not undisputed that what recommender consists of is not
10 already in the leaves.

11 THE COURT: OK.

12 MR. FENSTER: Just like major life events, just like
13 pages liked and friends, they tell you -- here what is
14 happening, your Honor. There is -- where are your boxes? What
15 they tell you is that major life events, when I got married,
16 when I started work, when I had a kid, is not in the leaves.
17 OK? And this is true with pages liked. It is true with a lot
18 of the information that they point to. Here is what's
19 happening.

20 When I got married is in the leaves. When I had a kid
21 is in the leaves, and when I started work is in the leaves.
22 Each of these data units are in the leaves. What they get from
23 UDB, they say -- again, it is disputed in the record -- what
24 they get is a list of these three things and they say that list
25 comes from UDB and that list, as a list, is not in the leaves.

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1 The data units themselves are undisputedly in the leaves or it
2 is undisputed that there is record evidence that they are in
3 the leaves. So that's what's happening here and that's what's
4 happening with EGO as well. The recommender is pulling
5 information of data units that are in the leaves. The life
6 events are data units that are in the leaves. The pages liked
7 the friends, the groups joined, are all data units that are in
8 the leaves already, and what they're telling you is, well, but
9 I got it as a list from this other source and I'm going to use
10 that for sorting and ranking as part of my query and therefore
11 we don't infringe. But every item that is on that list is in
12 the leaves and in the relevant system and in the TimelineDB.

13 So that's what's happening, your Honor. They're
14 trying to distract you from our evidence that says the data
15 units are in the leaves and in the TimelineDB, and because they
16 get it in an organized way from someplace else and that
17 organized list is different -- or they say it is different --
18 it is not, and that's a fact question for the jury.

19 THE COURT: OK. Finish up.

20 MR. FENSTER: Your Honor, so we haven't talked about
21 main collection. The '439 and the '538 patents -- I'm sorry.

22 THE COURT: Finish up, please.

23 MR. FENSTER: So, your Honor, the claims that require
24 main collection is the '439 patent. The '439 patent does not
25 include main stream. Instead, it has main collection. There

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1 is a question of claim construction for you that you are
2 required to find in order to grant summary judgment and that
3 is --

4 THE COURT: I understand.

5 MR. FENSTER: -- because main stream is defined
6 lexicographically. So the general claim construction principle
7 is you can't limit a claim unless there is lexicography or
8 clear and unmistakable disclaimer. With main stream there is a
9 lexicographic definition, there is not such lexicography and no
10 such disclaimer with respect to main collection. And
11 therefore, while main stream is required to have every data
12 unit generated or received by, in time-ordered collection, a
13 main collection is not. It is not engrafted with those
14 limitations because there is no clear and unmistakable
15 disclaimer and no lexicography so limiting main collection.
16 Instead, it needs to be given its plain and ordinary meaning
17 and under its plain and ordinary meaning it is not required to
18 have every data unit generated or received by in time-order.
19 So, under proper construction of main collection, which the
20 federal circuit acknowledged is still open to your Honor and
21 has not previously been decided, summary judgment is not
22 warranted under the '439 in any event under main collection.

23 The last point, your Honor is glance view. I just
24 want to clarify, Facebook misunderstood and mischaracterized
25 for your Honor our glance view representation. Glance view is

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1 their "hover over" feature. When you hover over certain links
2 or member pages it does give a glance view or a preview of that
3 member page or that page and we have some examples that we can
4 hand up to the Court.

5 THE COURT: No, I understand.

6 MR. FENSTER: I'm sorry, your Honor?

7 THE COURT: I said I understand.

8 MR. FENSTER: OK. Unless you have any other
9 questions, I will sit. Thank you, your Honor.

10 THE COURT: All right.

11 MS. KEEFE: Thank you, your Honor.

12 THE COURT: Ms. Keefe, you may proceed.

13 MS. KEEFE: Very briefly, your Honor.

14 We don't dispute that, for example, you saw this page.
15 This page said aggregator gets actions and objects from leaf.
16 These actions and objects are from your friends, the actions
17 and objects are from pages you follow, the actions and objects
18 are from groups that you have joined. We do not dispute that.
19 If we go back to my boxes, your Honor will recall that I
20 absolutely admitted that user actions go into the Timeline.
21 User actions, the clear boxes, go into the leaves. That's all
22 those documents say. All those documents say the user actions
23 go there. Everything that I was telling you didn't show up in
24 the TimelineDB were things that weren't user actions, things
25 like ads, things like the pages you have joined. What

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1 Mr. Fenster is saying is if I like the page, it shows up in the
2 NewsfeedDB because it is a user action. The user action
3 certainly does, but a list of all the pages that I have ever
4 joined, a list of all the groups that I have ever liked or
5 anything like that, that's not ever stored in the TimelineDB
6 and that's what we are being very careful to show your Honor.

7 As regards the major life events from Timeline, we
8 actually have unrefuted deposition testimony, deposition taken
9 by plaintiffs where the witness specifically addressed this
10 issue. Major life events is very different from simply
11 clicking on something or putting up a post. If you put up a
12 post, Facebook has two ways to kind of put information into its
13 system. One way is a post. I could write a post that said,
14 *Hey, I got married today.* That would show up in the Timeline
15 database because that's an action. There is a completely
16 separate flow called major life events. If you use the
17 separate flow for major life events those are absolutely not
18 stored in TimelineDB. Let me find you -- it is in Mr. Tang's
19 deposition. This is Mr. Tang's deposition at page 83:

20 "Q You mentioned something called major life events. What are
21 you referring to?

22 "A Major life events is a type of content you can create on
23 Facebook. For example, you may say you started a new job, you
24 attended a new school. It actually allows customization.

25 And then he goes on to say: That was not -- we don't

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1 publish that data to Timeline but store it in TAO.

2 He gets asked later in the deposition specifically
3 about if you just entered a life event, is that the same thing?
4 And he says, no, feed stories are different. A feed story is
5 not the same as a life event. They're not the same thing.

6 Mr. Fenster was conflating the two together but
7 they're not the same thing.

8 THE COURT: Major life events are from the UDB?

9 MS. KEEFE: That's correct, your Honor. Absolutely.

10 In terms of whether or not a query or other
11 information from EGO that can be used to curtail, all of those
12 are data units, all of that is information that is received by
13 the aggregator. The thing that I had showed you earlier today,
14 your Honor, to support or position on the breadth of the term
15 data unit, in the original prosecution -- you saw this earlier
16 today -- there was an interview. During the interview it was
17 agreed that applicants would refine the claim language in the
18 direction of addressing that stream of documents in the
19 broadest sense that are of significance to the user and which
20 thus determines the events of direct user interest in the
21 timeline of a computing system, without regard to whether their
22 generation is external or internal.

23 In response to that demand by the patent office the
24 patent owner said: Primarily, among other amendments discussed
25 more fully below, applicants have amended the claims to recite

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1 the stream of documents, data units of significance to the user
2 in the broadest sense by reciting -- and here comes the claim
3 language that they says take care of that edict -- each data
4 unit received by or generated by the computer system is
5 received by the main stream. In other words, all the data
6 units, without regard to whether a data unit was generated
7 internally or externally, are of significance to the user. So
8 it gets rid of the subjective component completely. And then,
9 as your Honor already knows, data unit and document are
10 described together and very broadly.

11 So, your Honor is right in terms of the breadth that
12 is applied and the --

13 THE COURT: By the way, what is your position with
14 respect to patent prosecution disclaimer in the Covered
15 Business Method proceeding?

16 MS. KEEFE: So under *Aylus*, your Honor, it absolutely
17 has to be taken into account. Mr. Fenster is saying, *But I'm*
18 *aloud to talk out of one side of my moth with the CBM and come*
19 *back to the District Court and say something else because there*
20 *is a different standard.* The problem is *Aylus* issued at the
21 time when both of those standard existed and *Aylus* didn't care.
22 *Aylus* says what you say matters because the public is allowed
23 to rely on statements made by patent owners in order to obtain
24 their claims. These were statements they made in order to
25 preserve the validity of their claims. They're not allowed to

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1 say, OK, so for this proceeding I kind of think black means
2 white. The whole public now relies on that record regardless
3 of what standard it was. The public now understands that
4 that's what the patent owner understands its patent to be.
5 Aylus says no matter the standard, you don't get to come back
6 down and change your mind because the public can rely on
7 statements you made in order to obtain affirmance of your
8 patent. And Aylus is at the time when the CBM standard had
9 "broadest reasonable." That's changed not that recently, a
10 couple years ago, to now say there is only one standard, but
11 Aylus was at that time so his distinction doesn't work, your
12 Honor.

13 THE COURT: As I understand Mirror Worlds' argument
14 today is there is information in the multi-feed leaves and in
15 the TimelineDB that never goes through the respective
16 aggregators. It is there in the main streams but not in the
17 computer system.

18 MS. KEEFE: I don't understand that argument, your
19 Honor, because it is not true. The only thing that exists in
20 the Timeline database or in the leaves are the user actions.
21 User actions are not everything that happens on Facebook. It
22 is not everything that comes through the system. Ads
23 definitely go through the aggregator and never touch the leaves
24 or the TimelineDB. Information from EGO definitely goes to the
25 aggregator and never touches TimelineDB or the leaves. I don't

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1 understand his statement that there are things that are in the
2 leaves that never pass through or never were part of the
3 system. I don't think that's what he said.

4 THE COURT: I think it is.

5 MS. KEEFE: Then there is no evidence of that, your
6 Honor. There is absolutely no evidence. The only evidence --

7 THE COURT: There are some exhibits like Exhibit 24
8 that were relied on in the papers and again in argument that
9 show charts, that show information going directly to the
10 TimelinedB or the multi-feed leaves.

11 MS. KEEFE: I understand.

12 If your Honor is talking about one of the last charts
13 he put up from Exhibit 24 where information flows UDB, async,
14 Timeline and doesn't show another flow to the aggregator, these
15 are not the only way these systems work. Every one of these
16 documents is describing a path flow. Here is what happens when
17 some information goes this way or goes that way. That's why --
18 there is nothing in here that precludes information from
19 another path flow, this is just one of the path flows. For
20 example, the one he showed a few minutes ago that showed some
21 ranking data was given from UDB down into the timeline that
22 does not preclude other ranking data from also going into the
23 aggregator, nor from other information like co-efficient coming
24 from UDB into the aggregator. Absolutely not. And those
25 documents very carefully limit themselves to the flow that

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1 they're talking about.

2 What we have is unrebutted testimony. The deposition
3 of Tang where he specifically describes major life events
4 happened before expert reports and yet that's nowhere in
5 Koskinen's expert report, there is no refutation of that fact.

6 THE COURT: How do I deal with the contrary
7 conclusions of Dr. Koskinen?

8 MS. KEEFE: Dr. Koskinen, if you look carefully at
9 Dr. Koskinen's expert report, he never says everything is
10 there. He says all of the actions, all of the user actions are
11 there. He uses the language that is accurate. All user
12 actions show up in the leaves, all user actions show up in the
13 TimelineDB. He is careful. He made sure that that's what he
14 said shows up. Now, he goes a step beyond that and says it's
15 all data units because he has a different understanding of a
16 data unit having to be something of interest, having all of
17 these other restrictions put on it, but he is very careful that
18 it is user actions and we do not dispute that, our documents
19 say that, we stand behind it. Everything that we are telling
20 you shows up in the aggregator that doesn't show up in either
21 the database or the leaves is not a user action.

22 THE COURT: OK.

23 MS. KEEFE: If your Honor doesn't have any other
24 questions on non-infringement, I just wanted to exceedingly
25 briefly touch on 101 and remind your Honor that it has to be

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1 about what is in the claims, and I would again point your Honor
2 to the *Berkheimer* case. You asked what is this technological
3 improvement. I don't think you got a very specific answer but
4 even if you did, you got an answer like, but you have to look
5 at the spec, you have to look at the Gestalt. *Berkheimer* makes
6 absolutely clear that even if you look at the spec to
7 understand what is happening or what the gist of the claim
8 might be for the extraction, you cannot import the inventive
9 step from the specification, you cannot import anything else,
10 it is about the claims. And that's what *Berkheimer* does. The
11 broader claims were invalid as drawn to an abstraction. The
12 narrower claims that said but if I store non-redundant data I
13 can improve the computer were valid. There is just nothing
14 like that here. So, would ask your Honor to look back at
15 claims, there is nothing in them that improves a computer
16 system, despite what the specification may say they wish would
17 happen.

18 THE COURT: All right. Thank you.

19 MS. KEEFE: Thank you, your Honor.

20 MR. FENSTER: Your Honor, may I just?

21 THE COURT: Very briefly. And then Facebook will have
22 an opportunity to respond. So, go ahead.

23 MR. FENSTER: First of all, Dr. Koskinen does say
24 every data unit generated or received by and he says this for
25 both Timeline and the leaves. Exhibit 35, among other things,

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1 identifies everything related to you is in the Timeline. I
2 showed you other evidence that TAO is a reverse chron index --
3 or TimelineDB is a reverse chronological index of everything in
4 TAO. I showed you evidence that UDB does not go to aggregator
5 but does go to the TimelineDB.

6 Now, you asked a question: Can information get into
7 the TimelineDB or into the leaves separately from the
8 aggregator? Absolutely yes. We haven't talked about it much
9 yet but the evidence in the record that we have submitted as
10 part of Koskinen's declaration shows a separate write path -- a
11 separate write path. Things get written to the TimelineDB and
12 written to the leaves through this separate write path that
13 does not go through aggregator, so it is. what I told you is
14 absolutely true and their documents show that, that the write
15 path is separate and that information in the leaves, there is
16 information stored in the leaves and information stored in
17 TimelineDB that does not go through aggregator and that is all
18 supportive of Dr. Koskinen's declaration and the evidence that
19 we have submitted that every data unit generated or received by
20 those back-end systems is stored in the leaves for the
21 multi-feed and TimelineDB for Timeline back-end.

22 Regarding the *Aylus* case and the broadest reasonable
23 interpretation, your Honor, there is case law that acknowledges
24 the difference between the broadest reasonable interpretation
25 and the District Court standard. I don't believe that we have

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1 cited it to you but there is case law post-*Aylus* because that
2 happened right at the time of the switch. There is case law
3 recognizing that statements about a BRI are not disclaimer for
4 the District Court standard claim construction and if you would
5 permit us we can, by tomorrow evening, give you one page with
6 the citations to that case law that recognizes the difference
7 between broadest reasonable interpretation and the district
8 court claim construction and that statements made in a BRI
9 context are not disclaimer in the district court context.

10 THE COURT: Is there a federal circuit case that says
11 that the *Aylus* holding does not apply to statements made in a
12 CBM proceeding?

13 MR. FENSTER: Your Honor, if you will give us 24 hours
14 I will address that question for you.

15 THE COURT: Sure.

16 MR. FENSTER: I am not prepared to do that right now.

17 THE COURT: Sure. And Facebook can do the same.

18 MR. FENSTER: Yes.

19 THE COURT: Go ahead.

20 MR. FENSTER: If you would permit us until Wednesday
21 that would be better. If not, we can do it by Tuesday.

22 THE COURT: No, tomorrow would be better.

23 MR. FENSTER: OK. We will do so.

24 That's all I had on non-infringement.

25 MR. WANG: Your Honor, may I read just a few sentences

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1 from *Berkheimer* and then that's it on the 101 issue?

2 THE COURT: Sure.

3 MR. WANG: In *Berkheimer*, your Honor, the federal
4 circuit reversed a finding of summary judgment. So, for
5 certain claims that were asserted they said that there were
6 disputed issues of fact. And what they say at the end of their
7 decision, there is at least a genuine issue of material fact in
8 light of the specification regarding whether claims 4 to 7
9 archive documents in an inventive manner that improves these
10 aspects of the exposed archival system.

11 So, your Honor, there is a federal circuit
12 acknowledging a question of fact relying on the specification.
13 Specification is entirely fair game for you, your Honor, to
14 determine what is really -- what these claim are really about,
15 your Honor.

16 THE COURT: It was a step two analysis.

17 MR. WANG: That was a step two analysis there in
18 *Berkheimer*, your Honor.

19 THE COURT: OK.

20 MR. WANG: Thank you.

21 THE COURT: Ms. Keefe?

22 MS. KEEFE: The only thing I wanted to say, your
23 Honor, is I didn't understand the point that Mr. Fenster was
24 making. If he and your Honor were asking me can information go
25 into the TimelineDB or the leaves, not into aggregator; sure.

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1 But that is of no moment because what matters is whether or not
2 there is something that's not in those leaves that's in the
3 computer system. That's the only thing.

4 THE COURT: No. You mean whether there is something
5 in the computer system that's not in the TimelineDB or the
6 leaves?

7 MS. KEEFE: Exactly.

8 THE COURT: Yes.

9 MS. KEEFE: That's it, your Honor.

10 THE COURT: I thought you had it reversed.

11 MS. KEEFE: Yes. Absolutely.

12 THE COURT: OK. All right. Thank you, all. I will
13 take the motion under advisement and the parties are welcome to
14 give me a case or cases by tomorrow from the federal circuit
15 which attempt to limit *Aylus* to an *inter partes* proceeding and
16 not to a CBM proceeding.

17 There has been a lot of briefing on the current motion
18 and so I don't need subsequent argument letters going over
19 everything that you have given me before the argument today.
20 There is a specific issue, Mirror Worlds asked for an
21 opportunity to submit a case or cases on that, and so you are
22 both welcome to do that by close of business tomorrow.

23 Thank you, all. I appreciated the briefs. I
24 appreciated the argument. Thank you, all. Thank you all for
25 coming in, too. As I made it clear, I would have been

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1 perfectly happy to listen to all of you by video. You have all
2 gone through great pains to be here today and so I appreciate
3 that.

4 Thank you, all.

5 MR. FENSTER: Thank you, your Honor.

6 MS. KEEFE: Thank you, your Honor.

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